

MOTION BY CHAIR HILDA L. SOLIS

National Community Development Week

The Community Development Block Grant (CDBG) Program, enacted in 1974, has long been considered the most successful federally supported local Program ever approved by Congress. The CDBG Program gives state, city, and county governments the flexibility to target CDBG funds to locally determined priority needs, primarily to benefit low- and moderate-income residents, and to help eliminate slums and blight.

The County of Los Angeles, through the Community Development Commission, administers the largest CDBG Urban County Program in the nation, encompassing the unincorporated County areas and 47 participating cities.

This year, 2016, marks the 42nd anniversary of the CDBG Program. Since its inception, the CDBG Program has consistently provided assistance to low- and moderate-income residents of the County through a variety of economic development, public service, recreation, and housing rehabilitation programs. CDBG funds provide services to youth and seniors, the homeless, persons with HIV/AIDS, and persons with special needs. Strong partnerships among County Departments, Participating Cities, Community-Based Organizations, and Other Public Agencies have helped ensure the quality and effectiveness of the CDBG Program within the County.

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RIDLEY-THOMAS \_\_\_\_\_

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**MOTION BY CHAIR HILDA L. SOLIS**  
**MARCH 29, 2016**  
**PAGE 2**

For example, during the past fiscal year, the CDBG Program served 103,204 persons who were homeless and/or living with HIV/AIDS, as well as 322 housing units through code enforcement programs, created or improved 1,115 housing units through housing rehabilitation, offered economic development technical assistance to 1,549 businesses, and constructed or improved one public facility. Through 50 public/non-profit agencies, the County provided public services to 16,025 persons, supportive services to 3,954 seniors, and services and activities to 1,815 youth and children.

The Los Angeles Urban County CDBG Program substantially exceeded the Federal requirement to expend 70% of its funds for the benefit of low- and moderate-income persons. In the past fiscal year, the CDBG Program expended \$26.4 million, equaling 90% of its total CDBG expenditures, for the benefit of low- and moderate-income persons.

However, the CDBG Program is facing unprecedented threats to its existence as a result of pressures to reduce the Federal deficit. Proposals have ranged from modest reductions to the Program to outright elimination, while ignoring the potential distress on low- and moderate-income residents who are already disproportionately affected by the recession, fewer resources to fix aging infrastructure, and the negative economic impact that could result from the loss of CDBG dollars to local communities. Between fiscal years 2010 and 2015, the County expended \$147.1 million in CDBG funds, but it was also able to leverage an additional \$200 million in expenditures from other public and private sources during the same period. In other words, for every \$1 in CDBG funds expended, an additional \$1.35 in leverage funds was spent. It is vital that the CDBG Program remains to provide funding for economic development, public services, housing rehabilitation, neighborhood development, and supportive services.

Prior to the 1990 enactment of the HOME Investment Partnerships (HOME) Program, there were few options available to communities to develop affordable housing. Families lived in overcrowded and unsafe housing, and working families

**MOTION BY CHAIR HILDA L. SOLIS  
MARCH 29, 2016  
PAGE 3**

struggled to save enough for a down payment. Communities lacked the resources needed to design large-scale affordable housing programs to address these problems. The HOME Program was developed to provide resources to communities to provide decent, safe, and affordable housing opportunities for low-income persons. Program funding has been used nationally to complete over one million units of affordable housing.

Despite significant reductions to this valuable resource, Los Angeles County has used its HOME Program funds with great success to finance innovative housing programs and projects for low-income families, including the construction of affordable housing, the rehabilitation of existing housing, and the down payment assistance for eligible first-time homebuyers. Since the Program's inception in 1992, the County has overseen the administration of approximately \$273 million in HOME funds into the County's housing market. The Program's added benefit is its ability to leverage local funding. The total leveraging ratio for its rental projects is approximately 3.7 times, for a total of over \$640 million available for local housing.

**I, THEREFORE, MOVE THAT THE BOARD OF SUPERVISORS:**

Proclaim March 28, 2016 through April 2, 2016, as National Community Development Week in the County of Los Angeles in order to recognize the history and accomplishments of the CDBG and HOME Programs.

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